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Message Text

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PAGE 01 STATE 106790

72
ORIGIN NEA-09

INFO OCT-01 ISO-00 SS-15 SP-02 L-02 EB-07 ABF-01 OMB-01

TRSE-00 NSC-05 CIAE-00 INR-07 NSAE-00 PRS-01 SSO-00

NSCE-00 INRE-00 /051 R

DRAFTED BY NEA/INS:JELEADER:JES
APPROVED BY NEA:ADUBS
---------- 058242
O 072224Z MAY 75
FM SECSTATE WASHDC
TO AMEMBASSY COLOMBO IMMEDIATE

C O N F I D E N T I A L STATE 106790

E.O. 11652:GDS

TAGS: PFOR, US, CE

SUBJECT:FINANCE MINISTER CHARGES:

REF: COLOMBO 1446

1. WE TOO ARE CONCERNED BY FINANCE MINISTER PERERA'S IRRESPONSIBLE ALLEGATIONS REPORTED REFTELS AND FULLY ENDORSE REPRESENTATIONS YOU HAVE MADE TO GSL SO FAR. WE ARE CALLING IN CEYLONESE AMBASSADOR KANAKARATNE MAY 8 TO UNDERSCORE U.S. UNHAPPINESS OVER PERERA'S STATEMENTS.

2. IN VIEW APPARENT DIFFICULTY GSL HAS IN ACTING DURING PRIME MINISTER'S ABSENCE WE AGREE SHORT, FACTUAL EMBASSY STATEMENT ON SUBJECT OF BANK TRANSFERS COULD HELP SET RECORD STRAIGHT. WE PROPOSE ALTERNATE WORDING FOR STATEMENT AS OUTLINED BELOW. ABBREVIATION OF TEXT IS DESIGNED TO LEAVE WITH GSL PRIMARY RESPONSIBLITY FOR REBUTTING DETAILS OF PERERA'S MISREPRESENTATIONS'

"THE EMBASSY OF THE UNITED STATES OF AMERICA CATEGORICALLY
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PAGE 02 STATE 106790

DENIES CHARGES AIRED IN SRI LANKA SUGGESTING THAT

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006

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U.S. GOVERNMENT-OWNED RUPEES ON DEPOSIT IN CEYLONESE BANKS HAVE BEEN USED TO INTERFERE IN THE INTERNAL AFFAIRS OF SRI LANKA. U.S.

GOVERNMENT FINANCIAL TRANSACTIONS IN SRI LANKA ARE UNDERTAKEN SOLELY THROUGH RECOGNIZED BANKING INSTITUTIONS OPERATING UNDER THE LAWS OF SRI LANKA. WITHDRAWALS ARE MADE ONLY TO MEET LEGITIMATE USG EXPENDITURES IN SRI LANKA OR, AS WAS THE CASE RECENTLY, TO TRANSFER FUNDS TO ACCOUNTS BEARING THE HIGHEST PREVAILING RATE OF INTEREST LEGALLY AVAILABLE IN SRI LANKA. USG HOLDINGS OF CEYLONESE CURRENCY ARE USED FOR NO OTHER PURPOSE AND CERTAINLY NOT FOR THE SUPPORT OF ANY POLITICAL ORGANIZATION IN SRI LANKA. THE EMBASSY OF THE UNITED STATES CONSIDERS MOST REGRETTABLE CHARGES THAT IT WOULD INVOLVE ITSELF FINANCIALLY OR OTHERWISE IN THE INTERNAL AFFAIRS OF SRI LANKA." KISSINGER

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Message Attributes

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